AMENDED IN ASSEMBLY MARCH 17, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 19

Introduced by Assembly Member Fong

December 6, 2010

An act to add Section 17922.14 to the Health and Safety Code, and to add Chapter 8.5 (commencing with Section 537) to Division 1 of the Water Code, relating to water.

LEGISLATIVE COUNSEL'S DIGEST

AB 19, as amended, Fong. Building standards: water meters: multiunit structures.

(1) The

The Water Measurement Law requires every water purveyor to require, as a condition of new water service on and after January 1, 1992, the installation of a water meter to measure water service. That law also requires urban water suppliers to install water meters on specified service connections, and to charge water users based on the actual volume of deliveries as measured by those water meters in accordance with a certain timetable.

This bill would require a water purveyor that provides water service to a multiunit residential structure or mixed-use residential and commercial structure that is subject to specified building standards part of a common interest development that submits an application for a water connection after January 1, 2014, to require the installation of a water meter, as defined, to measure water supplied to each individual dwelling unit as a condition of new water service. The bill would require a water purveyor that provides water service to a multiunit residential structure or mixed-use residential and commercial structure that is not

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part of a common interest development that submits an application for a water connection after January 1, 2014, to either adopt a general policy to require the installation of either a water meter, as defined, or a submeter, as defined, to measure water supplied to each individual dwelling unit, or to inform, on an individual basis, an applicant for new water service as to whether a water meter or submeter is required to be installed for each individual dwelling unit. The bill would require the owner of the structure to ensure that a water submeter installed for these purposes complies with laws and regulations governing installation, approval of meter type, maintenance, reading, billing, and testing of water submeters. The bill would except certain buildings from these requirements.

(2) The California Building Standards Law provides for the adoption of building standards by state agencies by requiring all state agencies that adopt or propose adoption of any building standard to submit the building standard to the California Building Standards Commission for approval and adoption.

This bill would require the Department of Housing and Community Development to develop and submit to the commission building standards that require the installation of water meters or submeters in individual dwelling units within a newly constructed multiunit residential structure or mixed-use residential and commercial structure, as specified. The bill would prohibit the department from developing building standards that require installation of submeters in a multiunit residential structure or mixed-use residential and commercial structure that is part of a common interest development.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 17922.14 is added to the Health and 2 Safety Code, to read:
- 3 17922.14. (a) (1) During the next regularly scheduled building 4
- standards code adoption cycle commencing on or after January 1, 5 2012, the department shall develop and submit, pursuant to Chapter
- 6 4 (commencing with Section 18935) of Part 2.5, building standards
- that require installation of water meters or submeters in individual

dwelling units within a newly constructed multiunit residential

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structure or a newly constructed mixed-use residential and commercial structure.

- (2) At a minimum, the department shall provide exemptions for structures in each of the following eategories:
- (A) Low-income housing. For purposes of this subparagraph, "low-income housing" means a residential building financed with low-income housing tax credits, tax-exempt mortgage revenue bonds, general obligation bonds, or local, state, or federal loans or grants, for which the rents of the occupants in lower income households, as defined in Section 50079.5, do not exceed rents prescribed by deed restrictions or regulatory agreements pursuant to the terms of the financing or financial assistance, and for which not less than 25 percent of the dwelling units within the building are designated for occupancy by lower income households, as defined in Section 50079.5.
 - (B) Student dormitories.

- (C) Long-term health care facilities, as defined in Section 1418.
- (D) Time-share property, as defined in subdivision (aa) of Section 11212 of the Business and Professions Code.
- (3) The department shall not develop building standards that require installation of submeters in a multiunit residential structure or mixed-use residential and commercial structure that is part of a common interest development.
- (b) The building standards developed pursuant to this section shall require a meter or submeter used to measure water supplied to an individual residential unit to be of a type approved pursuant to Section 12500.5 of the Business and Professions Code, and to be installed and operated in compliance with regulations established pursuant to Section 12107 of the Business and Professions Code.
- (c) The following definitions govern the construction of this section:
- (1) "Master meter" means a meter that measures water usage for an entire property or structure, which may include common areas, and is read by the water purveyor.
- (2) "Meter" has the same meaning as "water meter" in Section 516 of the Water Code.
- (3) "Submeter" means a device that measures water consumption of an individual unit within a master-metered structure, and is read by the owner of the structure or the owner's agent.

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SEC. 2.

SECTION 1. Chapter 8.5 (commencing with Section 537) is added to Division 1 of the Water Code, to read:

Chapter 8.5. Multiunit Structures

 537. (a) The following definitions govern the construction of this chapter:

(a)

(1) "Master meter" means a meter that measures water usage for an entire property or structure, which may include common areas, and is read by the water purveyor.

(b)

(2) "Meter" has the same meaning as "water meter" in Section 516 of the Water Code.

(c)

- (3) "Submeter" means a device that measures water consumption of an individual unit within a master-metered structure, and is read by the owner of the structure or the owner's agent.
- 538. (a) With respect to an application for a water connection or connections for a structure that is subject to building standards adopted pursuant to Section 17922.14 of the Health and Safety Code, a water purveyor shall do either of the following:
- (b) (1) Section 538 controls the obligation of a water purveyor with respect to service provided to a multiunit residential structure or mixed-use residential and commercial structure that is part of a common interest development.
- (2) Section 539 controls the obligation of a water purveyor with respect to service provided to a multiunit residential structure or mixed-use residential and commercial structure that is not part of a common interest development.
- (c) Structures in all of the following categories shall be exempt from the provisions of this chapter:
- (1) Low-income housing. For purposes of this paragraph, "low-income housing" means a residential building financed with low-income housing tax credits, tax-exempt mortgage revenue bonds, general obligation bonds, or local, state, or federal loans or grants, for which the rents of the occupants in lower income households, as defined in Section 50079.5 of the Health and Safety Code, do not exceed rents prescribed by deed restrictions or

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1 regulatory agreements pursuant to the terms of the financing or 2 financial assistance, and for which not less than 25 percent of the 3 dwelling units within the building are designated for occupancy 4 by lower income households, as defined in Section 50079.5 of the 5 Health and Safety Code.

(2) Student dormitories.

- (3) Long-term health care facilities, as defined in Section 1418 of the Health and Safety Code.
- (4) Time-share property, as defined in subdivision (aa) of Section 11212 of the Business and Professions Code.
- (d) A meter or submeter used to measure water supplied to an individual residential unit that is required to be installed by a water purveyor pursuant to this chapter, shall be of a type approved pursuant to Section 12500.5 of the Business and Professions Code, and shall be installed and operated in compliance with regulations established pursuant to Section 12107 of the Business and Professions Code.
- 538. Except as provided in Section 537, each water purveyor that sells, leases, rents, furnishes, or delivers water service to a multiunit residential structure or mixed-use residential and commercial structure that is part of a common interest development for which an application for a water connection or connections is submitted after January 1, 2014, shall require the installation of a water meter to measure water supplied to each individual dwelling unit as a condition of new water service.
- 539. (a) Except as provided in Sections 537 and 538, each water purveyor that sells, leases, rents, furnishes, or delivers water service to a multiunit residential structure or mixed-use residential and commercial structure for which an application for a water connection, or more than one connection, is submitted after January 1, 2014, shall require the installation of a water meter or submeter to measure the water supplied to each individual dwelling unit as a condition of new water service by doing either of the following:
- (1) Adopt a general policy to determine when the installation of either a water meter or submeter to measure water supplied to each individual dwelling unit shall be required. The water purveyor shall inform all local building departments within its service area of the policy.

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(2) On an individual basis, and upon receipt of an application for new water service to the structure, inform the applicant, and the appropriate local building department, as to whether a water meter or submeter is required to be installed to measure water supplied to each individual dwelling unit in the structure.

- (b) (1) If the water purveyor requires installation of submeters pursuant to subdivision (a), the owner of the structure shall ensure that each submeter installed complies with all laws and regulations governing installation, approval of meter type, maintenance, reading, billing, and testing of water submeters.
- (2) This subdivision does not require a water purveyor to fund or assume responsibility for ensuring compliance with any law or regulation governing installation, approval of submeter type, maintenance, reading, billing, and testing of water submeters and associated onsite plumbing.
- (c) A water purveyor shall not charge an owner of a structure that is subject to building standards adopted pursuant to Section 17922.14 of the Health and Safety Code, or his or her agent, a fee, charge, or assessment, either directly or indirectly, for the installation, approval, connection, or use of a submeter that is installed by the owner or his or her agent. This subdivision shall not be construed to restrict the authority of a water purveyor to collect fees or charges for meters or connection and installation of meters, or other fees or charges associated with providing and maintaining water service, as described in the water purveyor's authorized tariffs or rates.
- (d) This section shall not restrict the authority of a water purveyor to adopt and implement a program for the use of water meters or submeters for multiunit residential structures or mixed-use residential and commercial structures that promotes water conservation, at least as stringently, as the requirements of this section and the building standards adopted pursuant to Section 17922.14 of the Health and Safety Code. this section.
- (e) This section does not apply to a structure described in subdivision (a) that is greater than four stories in height above grade if the owner, or his or her agent, demonstrates to the satisfaction of the water purveyor that the structure's plumbing configuration incorporates multiple points of entry in each dwelling unit and renders the installation of submeters infeasible.

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- 1 539.
- 540. It is the intent of the Legislature that this chapter should not be construed to impose costs on any local government agency, 2
- except to the extent that the local government agency is a water
- purveyor subject to subdivision (a) of Section 538. 5